

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

In re: PHARMACEUTICAL INDUSTRY  
AVERAGE WHOLESale PRICE  
LITIGATION

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)  
) MDL No. 1456  
) Civil Action No. 01-12257-PBS  
)

**THIS DOCUMENT RELATES TO:**

) Hon. Patti Saris  
)

*United States of America ex rel. Ven-a-Care of*  
*the Florida Keys, Inc. v. Abbott Laboratories*  
*Inc.*, CIVIL ACTION NO. 06-11337-PBS

) Magistrate Judge Marianne B. Bowler  
)  
)

**THE UNITED STATES' OPPOSITION TO ABBOTT LABORATORIES INC.'S  
MOTION FOR A PROTECTIVE ORDER RELATING TO THE  
DEPOSITION OF RICHARD A. GONZALEZ**

**EXHIBIT 3**

# **ABBOTT** Alternate Site Product Sales

High Tech Products for Alternate Site and Home Health Care

June 23, 1995

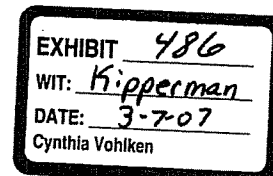
TO:	Chris Snead	D-49R	AP6B
CC:	Kris Kringel	D-960	AP30
	Charlie Mitchell	D-361	AP30
	Don Robertson	D-H50	AP34
	John Ward	D-H83	AP34
FROM:	Steve Kipperman	D-OP83	AP34

**RE: Coram Analysis Request**

Attached you will find the analysis of the current Coram proposal vs. VHA and Sunhealth, which you requested for your meeting with Rick Gonzalez and Tom Hodgson. Due to the unique product mix within the Alternate Site Market, I have made adjustments to the final summary to account for "outlier" products which make up a disproportional % vs. the hospital setting. These products include: gravity 3-in-1 mixing containers, seven (7) select IV sets within Coram's Set Standardization Program, select bulk injectable products and Adria Oncolytics. The summary is as follows:

***\*Adjusted for Outliers***

	Variance of Proposed Coram to:			
	VHA Levels		Sunhealth Levels	
	@ Coram Mix	@ VHA Mix	@ Coram Mix	@ Sunhealth Mix
<b><u>Net of Rebates</u></b>				
S & E	(21.5%)	6.8 5.7%	(14.3%)	4.5%
Awarded Injectables	( 7.0%)	( 7.2%)	(16.2%)	(3.8%)
Total	(20.4%)	6.5 5.4%	(14.5%)	4.2%
<b><u>Invoice Price Line</u></b>				
S & E	(19.2%)	9.8 8.7%	(6.5%)	13.9%
Awarded Injectables	( 1.6%)	(1.8%)	(8.6%)	4.8%
Total	(17.8%)	9.4 8.4%	(6.8%)	13.6%



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The bottom lines including *all the products* is as follows:

	<u>Variance of Proposed Coram to:</u>			
	<u>VHA Levels</u>		<u>Sunhealth Levels</u>	
	<u>@ Coram Mix</u>	<u>@ VHA Mix</u>	<u>@ Coram Mix</u>	<u>@ Sunhealth Mix</u>
<b><u>Net of Rebates</u></b>				
S & E	(24.4%)	3.9 <del>2.8%</del>	(19.1%)	1.3%
Awarded Injectables	(28.2%)	(19.3%)	(20.8%)	(13.1%)
Total	(25.2%)	2.8 <del>1.7%</del>	(19.6%)	(0.1%)
<b><u>Invoice Price Line</u></b>				
S & E	(22.2%)	6.9 <del>5.8%</del>	(11.8%)	10.3%
Awarded Injectables	(24.0%)	(14.6%)	(13.7%)	(4.1%)
Total	(22.6%)	5.8 <del>4.8%</del>	(12.4%)	8.9%

Our proposal is based upon Coram's commitment to 95% compliance, total volume, product mix, standardization programs (i.e.- set standardization program which will drive 95% - 98% of their gravity set volumes through seven list numbers) and current competitive prices within the account. The SVP variances are driven by competitive prices on high bulk items which typically are not prices as aggressively in the hospital market. If you have any further questions, please feel free to contact me at 7-4016.

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